

Jay E. Smith (CA SBN 162832)
STEPTOE & JOHNSON LLP
633 West 5th Street, Suite 700
Los Angeles, CA 90071
Tel: 213-439-9400
Fax: 213-439-9599
Email: jsmith@steptoe.com

Howard H. Stahl*
Paul R. Hurst*
STEPTOE & JOHNSON LLP
1330 Connecticut Avenue NW
Washington, DC 20036
Tel: 202-429-8060 (Stahl)
Email: hstahl@steptoe.com
Tel: 202-429-8089 (Hurst)
Email: phurst@steptoe.com
Fax: 202-429-3902

* *admitted pro hac vice*

Attorneys for Defendant and Counter Plaintiff Motorola, Inc.

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

METROPOLITAN TRANSPORTATION COMMISSION,)	Case No.: C 06-2302 MMC
Plaintiff / Counter-Defendant,		SUPERSEDEAS BOND; ORDER THEREON
vs.		BOND NO. 6490141
MOTOROLA, INC.,)
Defendant / Counter-Plaintiff.)	

KNOW ALL MEN BY THESE PRESENTS, that we, Motorola, Inc., as

Principal, and Safeco Insurance Company of America ("Surety"), a corporation created, organized and existing under and by virtue of the laws of the State of Washington, having its principal place of business at Safeco Plaza, Seattle, WA 98185, and duly authorized under the laws of the State of California to execute surety bonds in the amount and

subject to the conditions herein provided, are held and firmly bound unto Plaintiff the Metropolitan Transportation Commission (“MTC”) in the full and just sum of \$1.5 million to be paid to the said MTC, its administrators, executors, successors, attorneys or assigns, for which payment well and truly to be made it binds itself, its successors and assigns, jointly and severally, firmly by these presents.

Signed and sealed with the corporate seal of said surety this 6th day of July,
2007.

WHEREAS, in a suit pending in the United States District Court for the Northern District of California, under Civil Action No. C 06-2302 MMC between Plaintiff MTC and Defendant Motorola, Inc., declaratory Judgment was entered on March 15, 2007 in favor of MTC and against Motorola under which the Court declared, *inter alia*, that Motorola was legally obligated, as the “Contractor” under the TransLink® Contract, to replenish the Letter of Credit called for at Article 3.1 from the existing \$1.5 million amount to \$3 million, and Motorola, having filed an appeal to the United States Court of Appeals for the Ninth Circuit from the entry of that Judgment, seeks to stay that Judgment.

NOW, THEREFORE, the condition of this obligation is such that if the judgment is reversed or modified on appeal or if Motorola shall restore the Letter of Credit to \$3 million together with all costs that may be awarded, then this obligation shall be void; otherwise, it shall remain in full force and effect, provided however, the maximum liability of the Surety shall not exceed \$1.5 million.

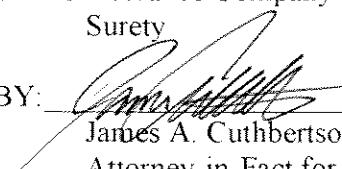
Pursuant to Fed. R. App. P. 8, Surety hereby submits itself to the jurisdiction of the District Court for the Northern District of California and irrevocably appoints

Mr. Richard W. Wiekling, the Clerk of this Court, as its agent upon whom any notice or papers affecting its liability on this bond may be served, and agrees that its liability on this bond may be enforced on motion without the necessity of an independent action and that such motion, with such notice thereof as that court may prescribe, may be served on such Mr. Wiekling, who shall forthwith mail copies to Surety.

Date: 7/8/07

Motorola, Inc.
Principal
BY: 
Edward Fitzpatrick
Motorola, Inc.

Date: 7-6-07

Safeco Insurance Company of America
Surety
BY: 
James A. Cuthbertson
Attorney-in-Fact for Safeco Insurance
Company of America

APPROVED AS TO SURETY AND AMOUNT OF BOND:

Date: July 24, 2007

BY: 
The Honorable Maxine M. Chayey,
United States District Judge

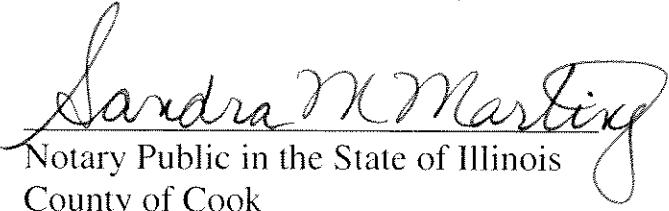
ACKNOWLEDGEMENT BY SURETY

STATE OF ILLINOIS
COUNTY OF COOK

On this 6th day of July, 2007, before me, Sandra M. Martinez, a Notary Public, within and for said County and State, personally appeared

James A. Cuthbertson to me personally known to be the Attorney-in-Fact of and for Safeco Insurance Company of America and acknowledged that she executed the said instrument as the free act and deed of said Company.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, at my office in the aforesaid County, the day and year in this certificate first above written.



Sandra M. Martinez
Notary Public in the State of Illinois
County of Cook



POWER
OF ATTORNEY

Safeco Insurance Company of America
General Insurance Company of America
Safeco Plaza
Seattle, WA 98185

No. 10025

KNOW ALL BY THESE PRESENTS:

That **SAFECO INSURANCE COMPANY OF AMERICA** and **GENERAL INSURANCE COMPANY OF AMERICA**, each a Washington corporation, does each hereby appoint

*******MARICIA K. CESAFSKY; JAMES A. CUTHBERTSON; KAREN DANIEL; PATRICIA M. DOYLE; ROBERT E. DUNCAN; GEOFFREY E. HEEKIN; LINDA ISER; THOMAS J. JOSLIN; GREGORY K. KESSLER; KATHLEEN J. MAILES; SANDRA MARTINEZ; JOELLEN M. MENDOZA; SUSAN J. PREIKSA; CRAIG T. TAGLIAMONTE; PATRICIA THURMOND; SUSAN A. WELSH; Chicago, Illinois*******

its true and lawful attorney(s)-in-fact, with full authority to execute on its behalf fidelity and surety bonds or undertakings and other documents of a similar character issued in the course of its business, and to bind the respective company thereby.

IN WITNESS WHEREOF, SAFECO INSURANCE COMPANY OF AMERICA and GENERAL INSURANCE COMPANY OF AMERICA have each executed and attested these presents

this 21st day of June 2007

STEPHANIE DALEY-WATSON, SECRETARY

TIM MIKOŁAJEWSKI, SENIOR VICE-PRESIDENT, SURETY

CERTIFICATE

Extract from the By-Laws of **SAFECO INSURANCE COMPANY OF AMERICA**
and of **GENERAL INSURANCE COMPANY OF AMERICA**:

"Article V, Section 13. - FIDELITY AND SURETY BONDS ... the President, any Vice President, the Secretary, and any Assistant Vice President appointed for that purpose by the officer in charge of surety operations, shall each have authority to appoint individuals as attorneys-in-fact or under other appropriate titles with authority to execute on behalf of the company fidelity and surety bonds and other documents of similar character issued by the company in the course of its business... On any instrument making or evidencing such appointment, the signatures may be affixed by facsimile. On any instrument conferring such authority or on any bond or undertaking of the company, the seal, or a facsimile thereof, may be impressed or affixed or in any other manner reproduced; provided, however, that the seal shall not be necessary to the validity of any such instrument or undertaking."

Extract from a Resolution of the Board of Directors of **SAFECO INSURANCE COMPANY OF AMERICA**
and of **GENERAL INSURANCE COMPANY OF AMERICA** adopted July 28, 1970.

"On any certificate executed by the Secretary or an assistant secretary of the Company setting out,

- (i) The provisions of Article V, Section 13 of the By-Laws, and
- (ii) A copy of the power-of-attorney appointment, executed pursuant thereto, and
- (iii) Certifying that said power-of-attorney appointment is in full force and effect,

the signature of the certifying officer may be by facsimile, and the seal of the Company may be a facsimile thereof."

I, Stephanie Daley-Watson, Secretary of **SAFECO INSURANCE COMPANY OF AMERICA** and of **GENERAL INSURANCE COMPANY OF AMERICA**, do hereby certify that the foregoing extracts of the By-Laws and of a Resolution of the Board of Directors of these corporations, and of a Power of Attorney issued pursuant thereto, are true and correct, and that both the By-Laws, the Resolution and the Power of Attorney are still in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the facsimile seal of said corporation

this 6th day of July 2007.



STEPHANIE DALEY-WATSON, SECRETARY

Safeco® and the Safeco logo are registered trademarks of Safeco Corporation.